

Government Reform & Restructuring Commission

Transportation Proposals

Proposal 1 – Inmate Labor

Current and future revenue shortfalls are impacting the Virginia Department of Transportation's (VDOT) statewide programs and services, including rest areas and welcome centers. VDOT is actively working on ways to increase revenue generated at rest areas and welcome centers and reduce operational expenses, with the goal of offsetting the cost of maintaining and operating 19 rest areas and welcome centers previously closed July 2009 (due to revenue shortfalls).

Currently § 53.1-56 of the *Code of Virginia* allows persons sentenced to the Department of Corrections (DOC) to be employed in the construction and maintenance of the primary and secondary systems of state highways. Inmates, however, are prohibited from working along the interstate highway system. The *Code* should be amended to enable VDOT to enter into agreements with local correctional institutions, state Department of Corrections facilities and regional jail authorities to provide for inmate labor, possibly administered by the private sector vendor(s) responsible for rest areas.

Proposal 2 – Rail Advisory Board

The Rail Advisory Board (RAB) is a legislatively created board within DRPT. It consists of 9 members appointed by the Governor for 4 year terms. Pursuant to §33.1-391.3:1 of the *Code*, the RAB is tasked with advising the Director of DRPT on all matters related to rail and making recommendations to the Commonwealth Transportation Board on allocations for rail projects. The RAB, however, has no authority to act in any capacity outside of its advisory role. The CTB approves all projects and allocates funds, generally based on recommendations from DRPT staff, who also staff the RAB. Further, the North Carolina – Virginia Rail Compact, a legislatively mandated board that advises on rail issue between the two states, recently began meeting. Therefore, the RAB should be eliminated. This elimination will lead to greater efficiency in the processes for decision making on rail issues, and will lead approximately \$10,000 in savings per year in staff time and board member expenses.

Proposal 3 – RFP Advertisement

Currently, VDOT and DRPT are required, pursuant to §2.2-4301, to advertise RFPs in one statewide, one local, and, when available, one minority newspaper. RFPs are also posted on the agencies websites and on eVA. The *Code* also requires VDOT to advertise public hearings by placing ¼ page ads in the appropriate newspapers.

With the advances in modern technology, this duplicative requirement should be eliminated. Elimination would reduce the costs associated with advertising RFPs and would save time in that the agencies would no longer have to wait until RFPs are advertised in the paper before proceeding further in the process, so long as notice for meetings are provided in conspicuous places either on their own websites and also the Commonwealth Calendar.

Proposal 4 – CTB Contract Approval Threshold/Locally Administered Projects

Pursuant to §33.1-12(2)(a), the VDOT Commissioner and DRPT Director are authorized to let all contracts under \$2 million, but the Commonwealth Transportation Board must approve any contract over \$2 million. As written, this requirement also applies to locally administered projects. The project approval threshold should be increased to \$5 million, as most VDOT administered projects fall within \$5 million in costs. The *Code* should also be clarified to state that this threshold does not apply to locally administered projects. The Commissioner and Director are also empowered to enter agreements with localities for locally administered projects. There is some confusion, however, as to whether or not localities must receive approval from the CTB for projects executed under such an agreement. The *Code* should be clarified to state that, regardless of project costs, a locality does not need CTB approval for a project executed under such an agreement. Both of these changes will lead to greater efficiencies in that the Commissioner and Director will be authorized to let more contracts without CTB approval, leading to more timely project completion, and the reduced work load on the CTB could potentially enable the Board to meet on a less frequent basis.

Proposal 5 – Single Reporting Require

Currently, the Virginia Department of Transportation prepares numerous different reports throughout the course of the year for presentation to the Governor, Secretary, and General Assembly on an annual basis. Among these reports are the cash balances of the Route 58 Corridor Development Fund, all actions involving privatization/outsourcing and downsizing, condition/needs for maintaining transportation infrastructure, and the current status of all highway construction projects. VDOT's Dashboard and Six-Year Improvement Program websites meet this last requirement.

Instead of requiring VDOT to submit multiple reports throughout the year, VDOT should be enabled to submit one report covering all topics. This report would include most of those referenced above, as well as any other legislatively mandated reports due within a certain year, and would be due to the Secretary, General Assembly, and Governor by November 30th of each year. VDOT would continue to maintain the Dashboard and SYIP websites. This change would lead to greater efficiencies through reducing the amount of staff time expended in preparing the various reports throughout the year.

Proposal 6 – Surplus Declaration of Excess Right-of-Way

Pursuant to §§33.1-149 and 33.1-154, the Commonwealth Transportation must declare excess right-of-way as surplus prior to VDOT selling the land. There are currently 1,257 residue parcels available for disposal, all of which must go before the CTB before the Commissioner may authorize the sale. Removing this requirement would enable the Commissioner to sell excess right-of-way in a more timely manner, thus generating more revenue, and would reduce the staff time and costs associated with preparing materials for the CTB. Further, the reduction in work load could potentially enable the CTB to meet on a less frequent basis. This recommendations is not intended to reduce the requirements to post notice of a sale, except where practical.

Proposal 7 – Certified Mailings

Each year the Virginia Department of Transportation, the Department of Rail and Public Transportation, and the Department of Motor Vehicles are subject to significant costs associated with certified mailing requirements. Under §33.1-94 of the *Code* VDOT and DRPT are authorized to enter any land within the Commonwealth in conjunction with highway or rail work provided that they provide notice to the land owner at least 15 days prior to first entry. These notices must be sent via certified mail. Since 2007, VDOT has spent \$150,935.10 sending these notices. Pursuant to several sections of the *Code*, DMV is required to send notices of license suspension or revocation and mandatory driver improvement clinic notices by certified mail. In 2009, DMV mailed approximately 180,000 notices by certified mail at a cost of \$782,979. If these notices had been sent by 1st Class mail, the notices would have costs \$68,555, a savings of \$714,424. Amending the *Code* to enable agencies mail notices by 1st Class mail would lead to a substantial cost savings each year.

Proposal 8 – Business License Plates

Currently, the Department of Motor Vehicles offers a number of different special revenue generating license plates. DMV does not, however, offer special plates for businesses located within or registering their fleets in Virginia. Allowing DMV to issue plates bearing a company's logo would lead to more fleet registrations within Virginia, bringing in additional businesses and revenue, by offering businesses an easy and affordable advertising option. These plates would be available to any business meeting minimum fleet requirements or participating in the International Registration Plan. The plates would have a one-time fee to cover the costs of production and a modest personalization fee, but thereafter, the only annual charge would be the standard registration fee. This change would not only promote Virginia as "open for business," but also could potentially attract new businesses to Virginia, thereby increasing revenues.

Proposal 9 – MVDB Membership

The VDACS Commissioner currently serves on approximately 30 agriculture and industry boards. His first priority is to the boards that fall under VDACS, resulting in infrequent attendance to the MVDB meetings. Allowing the Commissioner to appoint a designee from the Consumer Services Division would free up the Commissioner for his other responsibilities, while at the same time ensuring that consumers are adequately represented at MVDB meetings.

Proposal 10 – Transaction Recovery Fund

The Motor Vehicle Dealer Board administers the Transaction Recovery Fund pursuant to §46.2-1527. The Fund was created to provide consumers relief in the event of a loss associated with purchasing a motor vehicle. Consumers may collect up to \$20,000 for such a loss. Dealers in business for less than three years are required to hold a \$50,000 bond. When a judgment is issued against a dealer in business for less than three years, the consumer collects his or her judgment from the bond. When the bond is exhausted, or when a judgment is rendered against a dealer in business for more than three years, the consumer collects from the TRF. While the intended maximum judgment amount is \$20,000, the *Code* currently could be interpreted to allow a consumer to collect the \$50,000 bond and \$20,000 from the TRF. At the recommendation of the Attorney General's office, the *Code* needs to be amended to specify that the maximum amount a consumer can collect for any one judgment is \$20,000, regardless of the source of payment.

Proposal 11 – Farm Machinery Weight Limitation

Section 46.2-11.2 of the *Code* provides size exemptions for farm machinery that is temporarily propelled, hauled, transported, or moved on the highway in the ordinary conduct of business by a dealer or farmer. The Department of Motor Vehicles and most localities have historically construed this provision to include weight limitation exemptions as well. Several localities, however, have recently limited the exemption solely to size. To further the interest of Virginia's agricultural community, the *Code* should be amended to clarify that this exemption applies to both size and weight.

Proposal 12 – Rural Rustic Roads

The Rural Rustic Road Program was developed in 2002 as a means to pave Virginia's low volume unpaved roads in a more cost effective manner. Under this program, no specific design criteria has to be met and the focus is on getting as many roads paved as possible within VDOT's limited resources. Recent interpretations/regulations promulgated by the Department of Conservation and Recreation have lead to increase engineering requirements and a resultant increase in costs. Section 33.1-70.1(c) of the *Code* should be amended to specify that when paving a rural rustic road, VDOT need only meet the engineering and design requirements necessary to provide for safe travel over the road. This change will not only reduce the costs borne by VDOT to pave these roads, but will reduce DCR's workload. Further, paving these roads ultimately has a positive, not negative, impact on stormwater runoff.

Proposal 13 – Consolidate Telework Programs

Currently, there is no single state agency responsible for the development of a statewide telework program. DRPT currently works with private sector companies to provide expert resources and incentives for developing and encouraging telework programs for their employees. DRPT could easily provide this expertise to state government to establish a government wide telework program. A *Code* section should be created establishing DRPT as the state's telework coordinator and authorization the agency to create a statewide telework program. This would consolidate efforts in one agency, and potentially have a positive impact on congestion throughout the state.

Proposal 14 – Commissioner of Highways

Currently, the VDOT Commissioner's official title is the Commonwealth Transportation Commissioner. This title was implemented when the Department of Rail and Public Transportation was part of VDOT. VDOT and DRPT are now two separate agencies with different modal responsibilities, and the Commissioner's responsibilities rest primarily with highways. The Commissioner's title should therefore be changed to reflect this responsibility, and should be the Commissioner of Highways. This change will bring consistency with his responsibilities and further delineate the different modal responsibilities.

Proposal 15 – Local Weight Permits

The Department of Motor Vehicles is responsible for issuing overweight permits for all trucks within the Commonwealth of Virginia. Localities may also issue overweight permits for roads within their jurisdiction. There have been several issues recently whereby truckers, operating with a valid Commonwealth of Virginia weight permit, have been ticketed by localities for being overweight. The *Code* should be amended to explicitly state that an oversized or overweight permit issued by DMV supersedes local size and weight permits. As part of this change, the Commonwealth Transportation Board should be granted authority to allocate a portion of road damage fees to affected localities. This change will promote business in Virginia by reducing the burdens on the trucking industry.

Proposal 16 – Abandoned Vehicles

Since 2008, DMV has implemented an automated process allowing someone in possession of an abandoned vehicle to search DMV and national databases for owner or lienholder information. This provided an automated process for and a document trail for law enforcement to have abandoned vehicles sold and re-titled or scrapped. Since the system was implemented, DMV has been alerted of several incidents where a garage owner, rather than filing for a mechanics or storage lien against the vehicle, has used the abandoned vehicle process to gain title to a vehicle. Language for storage centers and garages should be eliminated from the abandoned vehicle statutes to protect property owners from garage owners who are taking advantage of the law.

Proposal 17 – Statewide Transportation Plan

The *Code of Virginia* currently specifies that the Statewide Transportation Plan be updated every five years. Under this provision, the Governor is often responsible for advancing the policies or goals contained therein that were formulated by a previous administration. Section 33.1-23.03 of the *Code* should be amended to require that the Statewide Transportation Plan be updated every four years. This change would enable every Governor to implement his or her own policies and transportation goals upon taking office.